Melancon Amendment Would Prevent Administration from Slow-Walking Permits September 29, 2010

WASHINGTON, D.C. – Today, Congressman Charlie Melancon (LA-03) called on the Senate to take action on his amendment to lift the official moratorium on deepwater drilling and end the "de facto" moratorium that is preventing new shallow water permits from being issued. The House of Representatives passed the Melancon Amendment in July. Although the Administration has indicated it might end the deepwater drilling moratorium early, Congressman Melancon noted that the Department of the Interior has only issued five new drilling permits since late May, when the shallow water moratorium was officially lifted.

The Melancon Amendment would end the "de facto" moratorium by preventing the Secretary of the Interior from delaying permits, and instead require a decision to be made within 30 days. The amendment would also require the Department to issue all new safety requirements by the date of the bill's enactment.

"While I am encouraged that progress is being made on lifting the moratorium on deepwater drilling, Louisianians know that a formal moratorium doesn't need to be in place for offshore drilling to be slowed to a halt," said Rep. Melancon. "The Administration has been slow-walking new drilling permits, only approving five in the past four months, and creating an unofficial moratorium that is hurting thousands of workers and small businesses in south Louisiana.

"Before the Senate leaves town to campaign, I call on them to finish the job of passing my amendment and end both the official and unofficial moratoriums, so our people can get back to work."

Congressman Melancon has been pressing the federal government since May to end the moratorium

on deep-water drilling and clarify new regulations for shallow-water drilling

that have created a "de facto" moratorium in the Gulf. The offshore energy industry is a major economic engine for south Louisiana, providing thousands of jobs and supporting numerous locally-based service companies in Congressman Melancon's Congressional district.

The <u>Melancon Amendment</u> would lift the deepwater moratorium on offshore drilling for companies that meet the new safety requirements issued by the Department of the Interior in the wake of the explosion. Specifically, if an application for a permit to drill complies with the "Notice to Lessees" 5 and 6, complies with any further safety measures recommended by the Secretary, and has completed all required safety inspections, the moratorium will not apply to the drilling application.

The Melancon Amendment will also work to prevent another disaster from occurring and ensure companies are better able to respond to oil spills. The Secretary of the Interior will be required to report by October 31st to the House Committee on Natural Resources and the Senate Committee on Energy and Natural Resources on the status of:

(1)	the collection and analysis of evidence regarding the potential causes of the explosion on
the	Deepwater Horizon offshore drilling rig, including information collected by the Presidential
Con	nmission and other investigations,

- (2) implementation of safety reforms announced by the Department of the Interior on May 27th,
- (3) the ability of operators in the Gulf of Mexico to respond effectively to an oil spill in light of the Deepwater Horizon incident; and
- (4) industry and government efforts to engineer, design, construct and assemble wild well intervention and blowout containment resources necessary to contain an uncontrolled release of hydrocarbons in deep water, should another blowout occur.

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